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Summary

The present report was prepared in conformity with a joint format agreed by the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund, with the list of issues identified in consultations among United Nations Development Group members.

It discusses implementation of the reform programme of the Secretary-General and the provisions of the triennial comprehensive policy review, follow-up to international conferences, and humanitarian and disaster relief assistance.

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I. Implementation of the reform programme of the Secretary-General and the provisions of the triennial comprehensive policy review

A. Structures and mechanisms

1. During 1999, General Assembly resolution 53/192 served as the normative benchmark and road map for continued progress in implementing the reform programme of the Secretary-General (A/51/950 and Add.1-7) with respect to operational activities for development. As part of their own internal reform processes and the transition to results-based management, which require that they become increasingly results-oriented, the funds and programmes are already beginning to look ahead to the triennial policy review of 2001 as the next milestone at which progress vis-à-vis resolution 53/192 will be measured.

2. During 1999, the new structures and mechanisms emerging from the reform programme, namely the United Nations Development Group (UNDG) and its subsidiary bodies — both formal and ad hoc — were further consolidated and utilized to produce concrete results and prepare decisions by the executive heads of the member entities of UNDG.

Problems encountered and lessons learned

3. The UNDG Executive Committee noted that the entire structure of subsidiary mechanisms and bodies of the UNDG had basically been inherited from the former Joint Consultative Group on Policy (JCGP) and needed to be thoroughly reviewed and rationalized. There was a clear perception among members of the UNDG that there were too many groups, which claimed staff time and resources, and that they were essentially standing groups without sunset clauses. Accordingly, the Executive Committee decided in the last quarter of 1999 to proceed with a thorough review of the subsidiary mechanisms of the UNDG with a view to rationalizing the number of subsidiary bodies and introducing sunset clauses in all sub-groups. All groups would come to an end on 31 December 1999 and would have to justify any continued activity in 2000. Where possible, standing groups would be replaced by ad hoc task-oriented meetings, which would end as soon as the tasks were accomplished.

4. During 1999, UNDG continued to address the two challenges that had been mentioned in the report to the Council submitted at the second regular session 1999 (DP/1999/10): (a) greater involvement of the United Nations system as a whole in the initiatives of the UNDG; and (b) greater involvement of resident coordinators and country teams in the development of those initiatives.

5. While progress has been made in these directions, more remains to be done. UNDG and the Administrative Committee on Coordination (ACC) machinery, particularly the Consultative Committee on Programme and Operational Questions (CCPOQ), operate under different working methods and periodicity. UNDG operates practically in real time with monthly meetings of principals — the decision-makers — and twice-monthly meetings of the UNDG Support Group, which prepares for the decision making by principals. The sub-groups also meet frequently and their outputs are analysed by the UNDG Support Group before decision items are placed before the principals' meetings.

6. CCPOQ, however, which brings together senior policy and programme staff from the United Nations system as a whole, meets only twice a year, with two additional inter-sessional meetings of the CCPOQ resident coordinator working group. The creation of the CCPOQ web site and the use of electronic mail by its highly efficient secretariat have sought to ensure that UNDG initiatives with system-wide implications, which are systematically shared with CCPOQ by the Development Group Office (DGO), are immediately distributed to all United Nations system organizations. However, in 2000, further ways need to be devised to obtain more rapid feedback from the broader system.

7. One step in addressing this issue was taken by the World Health Organization (WHO), which was formally accepted as a member of the UNDG and takes part periodically at the executive head level in relevant meetings of the Executive Committee of the UNDG. Another step was taken by UNIDO in seconding to the DGO a senior staff member, who has been assigned key substantive responsibilities, for example for the common country assessment/United Nations Development Assistance Framework (CCA/UNDAF)

learning network, and ensures UNIDO involvement in UNDG initiatives at an early stage.

8. Another step that could be taken is to rationalize further the subsidiary machinery of UNDG and CCPOQ. One positive example of how this could be done is the abolition in 1999 of the CCPOQ Working Group on Operational Activities Training, whose tasks could be taken over by the UNDG Sub-Group on Training. Similarly, in 2000, UNDG will need to address further the policy of its member entities regarding partnerships with the private sector and civil society, areas in which CCPOQ has done extensive work. UNDG needs to build on that work rather than duplicate it and may be able to rely on the ad hoc working groups of CCPOQ that have worked on those subjects.

9. Regarding greater involvement by the resident coordinator in UNDG initiatives, one experience that could serve as an example for future directions is the handling of the Swedish and Swiss grants. The Governments of Sweden and Switzerland are providing specific grants to support the United Nations reform initiative at the country level through the resident coordinator system. The contributions follow an earlier, successful reform initiative funded by Sweden, involving the Guatemala and Zimbabwe country teams, and are intended to:

(a) Strengthen the capacity of the United Nations country team to carry out the United Nations reform initiatives at the country level;

(b) Expand opportunities for the United Nations system at the country level to achieve the objectives of the United Nations reform;

(c) Improve connectivity in the field;

(d) Build upon the experiences of country teams and enhance the learning processes within the United Nations system.

10. Rather than providing centrally decided norms on the use of these resources, UNDG instead invited resident coordinators, with the country teams, to submit substantive proposals, which would make a difference for system-wide effectiveness at the country level.

11. Proposals were received from 67 countries, out of which 17 proposals have been selected by an inter-agency advisory group for support through the Swedish Government contribution. Another three to four proposals will be supported through the recent contribution from the Swiss Government.

Recommendations

12. The Council may wish to:

(a) Take note of the problems encountered and lessons learned in enhancing the structures and mechanisms for United Nations reform and inter-agency coordination;

(b) Welcome the ongoing efforts by the UNDG to rationalize the architecture of its subsidiary machinery;

(c) Encourage the members of the UNDG and of CCPOQ to seek further ways to rationalize the work of their subsidiary machinery;

(d) Invite agencies of the broader United Nations system to seek a closer association in real time with the work of the UNDG;

(e) Reaffirm the need for continued, close cooperation between UNDG members and the subsidiary machinery of ACC, especially the CCPOQ system, as well as the need for the ongoing review of ACC to address the issue of linkages between ACC and the UNDG and the other United Nations Executive Committees.

B. Funding and resources

13. In accordance with General Assembly resolution 50/227 of 24 May 1996 and Economic and Social Council resolution 1997/59 of 24 July 1997, as well as Executive Board decisions 98/23, 99/1 and 99/23, in 1999 UNDP made further progress in implementing the multi-year funding framework (MYFF), which integrates programme objectives, resources, budget and outcomes with the goal of increasing core resources and enhancing their predictability. The Executive Board legislation calls on UNDP to ensure the full participation of programme countries in the elaboration, monitoring and reporting of strategic results frameworks (SRFs), and to arrive at proposals for consideration at the annual session 2000 for reviewing and updating the MYFF. Finally, as called for by Board decision 99/24, the Administrator of UNDP as well as the Executive Director of UNFPA regularly bring to the attention of the Secretary-

General the importance of and specific opportunities for his advocacy with Member States to increase contributions to the funds and programmes. The Secretary-General has indeed used several opportunities of high-level contacts with contributor countries to highlight the imperative of increased core contributions to the funds and programmes.

Problems encountered and lessons learned

14. UNDP held its first annual funding meeting during the second regular session of the Executive Board in April 1999. Although the MYFF would be complete for Board consideration only at the third regular session of the Board in September 1999, the outcome of the first-ever funding meeting was encouraging. For the first time since 1992, 11 major donors announced an increase in their core contributions in local currency terms. In addition, a total of 21 contributing countries announced pledges for 2000 and 2001. Programme countries demonstrated a deep commitment to the funding meeting, where there was considerable high-level participation from capitals of both donor and programme countries. In terms of enhanced predictability, while a number of countries announced payment schedules at the funding meeting, in some cases actual payments of the core contributions were received much later and, in a few cases, not before year-end. In this context, it is important that all contributing countries officially communicate their 2000 core contributions as early in the year as possible and that they adhere to the fixed payment schedules that they announce. In addition to the funding commitments, the meeting highlighted the need for UNDP to reduce its overdependence on a limited number of donors. In comparison, the traditional pledging conference held in November 1999 yielded modest results, where none of the major donors were in a position to pledge, *inter alia*, because of the timing of their budget cycles. With the establishment of funding meetings within the respective Executive Boards of the funds and programmes, there is a clear need for the intergovernmental bodies to reconsider the role of the pledging conference held each November.

Recommendations

15. The Council may wish to:

(a) Welcome the progress achieved by UNDP as well as its sister funds and programmes in introducing the MYFF;

(b) Encourage the funds and programmes to exchange experiences and lessons learned in the area of MYFFs with a view to submitting, as requested by the legislation, proposals for reviewing, updating and improving the MYFF by the time of the annual session 2000;

(c) Express concern about the continued decline in core funding to UNDP and the other funds and programmes and, in this context, strongly urge all Member States to support the implementation of the MYFF, *inter alia*, through increased core contributions in order to meet the regular (core) resources targets set in the MYFF, as well as specifically urge all countries to increase their core contributions to help to reduce the overdependence on a limited number of donors;

(d) Make recommendations on the future of the United Nations pledging conference, taking into account the experience gained at the funding meeting at the second regular session of the Executive Board, as well as the experience of the other funds and programmes.

C. Resident coordinator system

16. As the primary mechanism for country-level inter-agency coordination, strengthening the resident coordinator system continued to be a top priority for UNDG in 1999. Among achievements to date have been (a) new selection procedures for resident coordinators including independent competency assessment; (b) resident coordinator appraisal and reporting guidelines have been modified based on experience over the last two years to emphasize collective work planning and self-assessment by the resident coordinators and the United Nations country teams; (c) the pool of candidates for selection is being widened with emphasis on increasing the number of women; (d) a faster and streamlined process of nomination, selection, and clearance of resident coordinators is being implemented; and (e) training support for the resident coordinator system is being enhanced.

17. An important working tool introduced in 1999 was the Resident Coordinator Network (RC-Net), the web site maintained by the DGO to support the resident coordinator system, by providing in one convenient place all the legislation, inter-agency guidance notes, reports, hyperlinks to country-level resident

coordinator system web sites and other information. It is expected that this tool will greatly promote the use of available information and knowledge and the exchange of experiences.

18. Among other actions of support to the resident coordinator system, the strengthening of the United Nations Staff College in Turin by the UNDG with a post of special adviser, the induction course for first-time resident coordinators, providing inter-agency and thematic training to resident coordinators, and the review of the resident coordinator annual report by inter-agency groups are important new mechanisms developed to ensure that the United Nations system can participate in the resident coordinator system in practical ways.

Problems encountered and lessons learned

19. While considerable progress has been made in the resident coordinator system, there are significant outstanding challenges to be met. First, the issue of achieving gender balance of resident coordinators is a persistent problem not amenable to easy solutions, particularly given the high attrition rate of women resident coordinators, resulting in part from the strong demand and competition among agencies for competent women managers. UNDG is currently seeking to implement a series of measures, including increased recruitment from outside the United Nations system, with the requirement that identified candidates undergo a competency assessment exercise.

20. Secondly, it is important that agencies of the United Nations system as a whole participate more actively in and make more serious use of the resident coordinator performance appraisal exercise, which after two years of implementation suffers from a low response rate from the system as a whole. The appraisal mechanism when fully used by all agencies serves as a powerful tool for assessing on-the-job competency of incumbent and former resident coordinators and can be used as a source of information for future placement of candidates for resident coordinator positions. It is recognized that formal appraisal systems have limitations and depend on the frankness as well as the fairness of the reporting. Some agencies believe the system, as currently constituted, does not encourage frankness and would prefer more informal arrangements that emphasize learning and self-improvement.

Recommendations

21. The Council may wish to:

(a) Welcome the progress achieved so far in strengthening the resident coordinator system, particularly the increased sense of ownership of the system by funds, programmes and agencies of the United Nations system;

(b) Take note of efforts under way to improve the gender balance of resident coordinators and invite agencies of the United Nations system to make further efforts to increase their nominations of qualified women candidates for resident coordinator vacancies;

(c) Invite agencies of the United Nations system to participate more fully in the resident coordinator appraisal system;

(d) Take note of the efforts under way regarding self-assessment of the country team as a whole, based on the work-planning exercise connected with preparation of the annual report of the resident coordinator system.

D. Implementation of the common country assessment and United Nations Development Assistance Framework

22. During 1999, UNDP continued to serve as the Vice-Chair of the UNDG Sub-Group on Programme Policy, furthering the CCA/UNDAF process. Significant progress has been achieved in the implementation of the CCA and UNDAF with: (a) the finalized guidelines issued; (b) the issuance by ACC of a guidance note on CCA/UNDAF, endorsing the guidelines and committing the ACC member organizations to support country teams; (c) the wide distribution of the CCA and UNDAF guidelines on CD-ROM to take advantage of information technology as a dynamic tool in development work; (d) the implementation of a series of one-day workshops with the United Nations partners at their respective headquarters to stimulate a participatory approach and ownership of the resident coordinator system; (e) the promotion of system-wide learning and sharing of good practices among country teams through the learning network; and (f) the definition of the main parameters for monitoring and evaluation in the light of the requirements set by the General Assembly and based on the results-based approach.

23. By the end of 1999, country teams in 113 programme countries were directly involved in the CCA exercise. With 40 completed CCAs, 53 ongoing and 20 planned, some 80 per cent of countries are expected to have a CCA before the end of the year 2000. Acceptance by Governments has been high, with the active involvement of officials in almost all countries. The CCA is rapidly gaining favour as the single essential database for all United Nations system partners, with considerable interest shown by bilateral agencies. The broader implementation of the UNDAF, referred to as the worldwide roll-out, has now extended to 21 countries (i.e., with the harmonized programming period starting in 2001), with another 46 expected by the end of 2000 (i.e., with the harmonized programming period starting in 2002).

Problems encountered and lessons learned

24. While the progress with the implementation of the CCA/UNDAF has been rapid and encouraging, there are clearly areas of process and content where matters can be improved and further developed. The CCA/UNDAF experience to date in six countries is being reviewed and is expected to provide lessons learned and best practices that could be fed back into the preparation and implementation of future UNDAFs, particularly through the RC-Net web site maintained by the DGO and the CCA/UNDAF learning network. A virtual workshop is planned for 2000 to examine the actual CCA/UNDAF experience in some six countries, with the full participation of the country teams.

25. Preliminary issues to address as well as lessons learned are as follows: (a) clearly, the CCAs and UNDAFs of the roll-out phase will need to strive for a higher and consistent level of quality, building on the pilot experience; (b) there is a risk — which countries in the roll-out phase will need to address — of the CCAs and UNDAFs focusing exclusively on social sectors and social development, leaving out the broader macroeconomic and sectoral considerations; (c) the involvement of non-resident agencies has been limited and special efforts will need to be made during the roll-out to involve them in the UNDAF, particularly the regional commissions and small technical entities and agencies; and (d) as mentioned in the discussion of gender mainstreaming, future CCAs and UNDAFs will need to address gender issues more thoroughly and avoid treating women as a special vulnerable group.

26. It is too soon to assess from the new exercises being carried out in the roll-out countries the extent of application of the lessons learned from the pilot phase that were translated into guidelines. While monitoring and evaluation mechanisms are being established, parallel efforts are also ongoing to improve the support to country teams for CCA/UNDAF, in particular through learning initiatives, the identification and sharing of good practices, as well as systematic and consistent information sharing and networking.

Recommendations

27. The Council may wish to:

(a) Take note of the progress on implementation of the CCA/UNDAF process, encourage the feedback of lessons learned into future CCA/UNDAFs of the roll-out phase and urge funds and programmes to continue to review their programming processes, with a view to streamlining and simplification so as to reduce the administrative and financial costs to the Government as well as to the United Nations system;

(b) Reaffirm the lead role of Governments and urge all United Nations system partners to participate actively in the CCA/UNDAF process;

(c) Urge that there be as much complementarity as possible between the UNDAF and other strategic instruments, such as the country assistance strategy, the comprehensive development framework (CDF) as well as the poverty reduction strategy papers (PRSP).

E. Harmonization of programming periods and procedures

28. Harmonization of programming periods of the funds and programmes is being accelerated in order to allow for greater synergies among the operational activities at the country level. Currently, some 98 per cent of all countries, where applicable, have plans for harmonization, to be completed by 2004.

Problems encountered and lessons learned

29. The harmonization of programming periods has received a boost from the UNDAF roll-out, which provides an added incentive to achieve harmonized programming periods and simplify programming procedures. Since ultimately the value of any exercise such as harmonization is the benefit to programme

countries in terms of more effective programmes and to the United Nations system in terms of more effective use of their limited resources for operational activities, it would be very important in the context of preparations for the triennial comprehensive policy review to assess the benefit to funds, programmes and agencies of the United Nations system of harmonized programming periods as well as of simplified procedures.

30. Regarding the simplification and harmonization of programming procedures in general, in 1999, UNDG consulted a sample of resident coordinators regarding specific areas where procedures could be simplified, and the following areas were identified and are under review by UNDG: (a) varying country programme frameworks and formats and approval processes for programmes and projects; (b) the stages of monitoring and evaluation of programmes and projects (i.e. annual, tripartite, and mid-term reviews) should be realigned in compliance with the harmonization of programming periods; (c) lack of uniformity in the operational procedures for project implementation (e.g., conditions of service for national consultants, procurement and transfer of titles of equipment and closing of projects); (d) varying financial reporting requirements by agencies; (e) different information technology approaches for databases of United Nations activities; (f) lack of common premises guidelines; (g) need for consistent procedures on national execution; and (h) parallel and duplicated security operations, not conducted in cooperation with the United Nations Security Coordinator and the Designated Official system.

Recommendations

31. The Council may wish to:

(a) Welcome the progress achieved by UNDG members so far in harmonizing their programming periods;

(b) Request the funds and programmes as part of their preparations for the triennial policy review of 2001 to assess the actual benefits to programme countries of harmonized programming periods;

(c) Encourage the members of the UNDG, in the light of the discussions on this subject at the Council, to address the areas for further simplification and harmonization of procedures, identified in consultation with resident coordinators and country teams, and to report back to the Council at its next substantive session with concrete results in each area.

F. Gender mainstreaming

32. UNDP and its partners in the UNDG, have stressed, through the work of the Sub-Group on Gender, the importance of the UNDAF as a tool for promoting gender mainstreaming in operational activities for development. Potentially, UNDAFs can provide a real empowerment framework for women through operational activities as envisaged in the Beijing Platform for Action adopted at the Fourth World Conference on Women in 1995.

Problems encountered and lessons learned

33. While potentially the CCA and UNDAF provide the opportunity to reinforce and support the mainstreaming of gender, and the current guidelines on the CCA and UNDAF call for mainstreaming gender considerations, the Sub-Group on Gender has found that most of the UNDAF documents it has reviewed indicate the intention to mainstream gender in the documents themselves and in the programmes of the funds and programmes. The disaggregation by sex of all indicators in the CCA indicator framework is an example of what has been done to support gender mainstreaming. However, there is scant evidence that such mainstreaming has in fact occurred. Furthermore, in the UNDAF documents, women were usually described as a disenfranchised group, often likened to disadvantaged minority groups. In future, CCAs and UNDAFs will need to recognize the active social, economic and political roles played by women rather than depicting them only as a target group in need of assistance.

Recommendations

34. The Council may wish to:

(a) Take note of the problems and lessons learned in mainstreaming gender in operational activities for development, particularly through the UNDAF;

(b) Encourage the funds and programmes and other United Nations system partners engaged in the CCA and UNDAF to ensure that gender considerations are fully reflected not only in the intentions of the UNDAF but also in its implementation.

G. Gender balance

Problems encountered and lessons learned

35. The question of retaining women at the mid-career level continues to be a challenge faced by UNDP. A variety of causes have led to the departure of women at this level, many related to work/life and family issues. UNDP is addressing this challenge through a new work/life policy and a human resources policy that actively promotes the careers of young women, including such measures as cumulative seniority in all previous professional grades as grounds for promotion.

36. As of November 1999, the percentage of women in the Professional category and above in UNDP was as follows: 36 per cent of all professional staff; 25 per cent of UNDP resident representatives and resident coordinators; 21 per cent of all staff at the D-1 and D-2 levels and 3 out of 7 staff at the Assistant Secretary-General level.

37. UNDP targets for percentage of women staff are: 40 per cent overall for staff at the Professional and Director levels and 38 per cent for resident coordinators/resident representatives by 2002.

Recommendations

38. The Council may wish to:

(a) Take note of the lessons learned by UNDP in the implementation of its gender balance policy, in particular in regard to the departure of women in mid-career;

(b) Call for further efforts to accelerate achievement of the institutional goals, taking into account the lessons learned by other United Nations entities.

H. Capacity-building

39. UNDP currently uses the term capacity development, which is defined as the central process of long-term development. Capacity development involves the acquisition of ability by an institution, organizational group or individual to perform a function or group of functions in a regular, efficient, effective and sustainable manner. UNDP has been advocating for a number of years a comprehensive or systems approach to capacity development, which sees institutions not in isolation, but as part of a broader policy and institutional environment. UNDP seeks to take into account that broader environment, which can determine the success or failure of operational activities for development, even where technical cooperation is effective at the level of outputs.

Problems encountered and lessons learned

40. As in many areas of operational activities, it is important for all agencies and entities of the system to share a common understanding and approach to capacity-building so that closer operational collaboration to meet national demands becomes a reality. There are various terms and approaches to capacity-building used across the system. Accordingly, through inter-agency consultations, particularly through CCPOQ, which held a workshop on the subject in July 1999, UNDP has taken an active part in developing the system-wide common denominator on capacity-building and has contributed to that process the systems approach described above to capacity development as well as its experience in four decades of operational activities. The preliminary results of the workshop were shared with the Council in 1999 as a conference room paper. However, CCPOQ is still faced with the task of converting these preliminary results into a guidance note for the resident coordinator system to facilitate collaborative inter-agency initiatives on capacity-building within the context of the UNDAF and the individual programmes of United Nations entities.

41. The ultimate challenge is to make capacity-building, following a common comprehensive system-wide approach, an integral part of all CCAs and UNDAFs as well as of the individual country programmes and cooperation frameworks of United Nations system funds, programmes and agencies. While capacity-building is an integral concern of the CCA/UNDAF learning network under the UNDG, the primary responsibility for capacity-building rests with national Governments. For their part, resident coordinators and their country teams will need to ensure that capacity-building in the future is fully built into the initial design of operational activities for development, using a comprehensive systems approach that takes into account the entire policy and institutional environment around the development initiative.

42. With regard to strengthening internal capacity, and in particular that of United Nations country teams, UNDG recognizes the key role that sharing information and knowledge can have. As the Secretary-General highlighted in his 1997 programme for reform, "only the United Nations has expertise across virtually the entire range of development concerns" (A/51/950, para. 10).

43. A number of individual agency efforts are under way to strengthen information and knowledge management within the United Nations. For its part, in June 1999, UNDG approved DevLink, a UNDG-owned and -managed web site that will provide a space to share information and harness knowledge on UNDG-related issues, including such substantive areas as poverty eradication and girls' education. As such, DevLink aims to contribute to improving the capacity and knowledge of UNDG staff at headquarters and the country level.

Recommendations

44. The Council may wish to:

(a) Recall that the primary responsibility for capacity-building rests with programme countries themselves;

(b) Take note of and strongly encourage the ongoing inter-agency efforts to arrive at a comprehensive understanding and approach to capacity-building as well as corresponding guidelines for the resident coordinator system, to be followed up by the sharing of case studies and evaluations of capacity-building initiatives;

(c) Urge the United Nations funds, programmes and agencies to promote learning and knowledge creation in the area of capacity-building through increased evaluations of capacity-building programmes and projects, and further use of existing networks such as the CCA/UNDAF learning network to share experiences;

(d) Strongly encourage Member States as well as the funds, programmes and agencies to ensure that a comprehensive approach to the national capacity-building process, as agreed at the inter-agency level through CCPOQ, is followed in CCAs and UNDAFs as well as in country programmes of individual funds and programmes.

I. Common premises and services

45. UNDP has chaired the UNDG Sub-Group on Common Premises and Services since mid-1999 and is an active member of the Management Group on Premises and Services, which, as a decision-making body, relies on the advice and recommendations of the Sub-Group on Common Premises and Services.

46. In the course of 1999, the Sub-Group undertook eight evaluation missions to assess the potential for creating new and cost-effective United Nations Houses. As a result of the work of the Sub-Group, in cooperation with resident coordinators and their country teams, United Nations Houses have been established in Belgium, Belize, Latvia, Moldova, Pakistan and Ukraine; two more, in Ecuador and Trinidad and Tobago, are to be designated shortly.

47. The total number of United Nations houses established as of November 1999 is 36; the total was 30 at the end of 1998. It is expected that 10 more will be designated each year.

48. At their September 1999 Executive Board sessions, UNDP and UNFPA and the World Food Programme (WFP) received approval for capital reserves to facilitate the ongoing process of establishing a unified United Nations presence at the country level through development of United Nations Houses and common services arrangements. UNICEF had made provision for capital reserves for this purpose much earlier.

49. With the support of the United Kingdom, a system-wide common services survey was launched in February 1999. An in-depth analysis of the data received from the country offices is currently under way. Upon review of the information, a workshop will be held for operations managers of participating agencies. In late January 2000, such a workshop is planned in order to develop a set of preliminary guidelines to provide support for country offices in the establishment and management of common services arrangements.

Problems encountered and lessons learned

50. Progress on common services still lags behind that on common premises and the United Nations House, which have received a strong boost from the approval of additional capital reserves for UNDP, UNFPA and WFP. Additionally, the area of virtual

common premises through information technology and connectivity needs to be further explored and exploited, particularly at a time when a major substantive theme of the Council is information technology and development.

51. The most feasible United Nations House projects have now been carried out and considerable up-front, one-time costs may be required for future premises. In countries with large programmes, identifying suitable accommodations can be difficult; space requirements strictly limit the number of properties available and decrease leverage in negotiations. There are significant risks involved with build-to-suit construction projects on land provided by the Government. It is preferable for Governments to make available rent-free premises in existing buildings.

Recommendations

52. The Council may wish to:

(a) Take note of the approach adopted by the UNDG to common premises and services, encourage further progress, particularly on common services, and reaffirm the requirements for shared management, transparency, accountability and cost-effectiveness;

(b) Call on the funds and programmes to make additional efforts to establish common premises, especially virtual common premises, fully connected in real time through information technology, particularly country-based intranets.

J. Cooperation with the World Bank

53. During 1999, UNDP further developed its relationship with the World Bank at two levels: (a) the inter-agency level, as part of the UNDG discussions with the World Bank and (b) the bilateral level, with its direct policy and operational collaboration with the World Bank. This section focuses on the inter-agency relationship, which addresses the coordination concerns emerging from past legislation of the Council related to the overall links between the United Nations and the Bretton Woods institutions.

54. One major issue in the collaboration between the World Bank and the United Nations through the UNDG was linkages between the comprehensive development framework (CDF) and the CCA/UNDAF. Another important area where collaboration between the United Nations and the Bretton Woods institutions is essential is the poverty reduction strategy papers (PRSP). In the context of the expanded heavily indebted poor countries initiative, these are new poverty-focused government instruments that are to be prepared with the assistance of the World Bank and IMF and would replace the former policy framework paper. The Poverty Reduction and Growth Facility (PRGF) of IMF is another area for collaboration. Much of the ongoing and future discussions with the World Bank and IMF will revolve around the links between these three instruments and facilities: the CCA/UNDAF, the CDF, the PRSP and the PRGF.

Problems encountered and lessons learned

55. The Administrator of UNDP, as Chair of the UNDG, has sent a guidance note on the CDF to field offices, and it is the subject of consultations between the United Nations and the World Bank, as well as between the Bank and ACC. The UNDG has established a United Nations system-World Bank Learning Group on the CDF, focusing on country-level experiences and involving system-wide participation.

56. Ongoing discussions between the UNDG and the World Bank, including briefings by World Bank senior staff, have helped to clarify some of the earlier questions regarding the relationship between the CCA/UNDAF and the CDF. The CCA, for example, should provide a common development situation analysis for both CDF and UNDAF, as well as other programming frameworks. As new instruments, the PRSP and the PRGF are still being developed and refined and the Bretton Woods institutions maintain an active dialogue with United Nations entities on these instruments. Some issues that have emerged in this dialogue include the following:

(a) Both CCA/UNDAF and the CDF call for extensive use of partnerships between the Government, the World Bank, the United Nations, civil society and other actors;

(b) While the UNDAF has a United Nations system focus, the CCA is a broader tool, which by its nature can be useful to many donors, including the Bretton Woods institutions;

(c) Implicitly, the PRSP covers the country's entire policy on the social sector, particularly policies directly relevant to poverty reduction, which is also the focus of UNDAFs; therefore the policies contained in

the PRSP would also impact on the design and implementation of the UNDAFs;

(d) The UNDG members, through their operational activities, assist programme countries in developing many policies related to different aspects of poverty reduction, policy work that could be drawn upon by the Bretton Woods institutions as they assist countries to prepare the PRSPs.

Recommendations

57. The Council may wish to:

(a) Take note of and encourage the ongoing dialogue of UNDG members with the Bretton Woods institutions regarding the CCA/UNDAF, the CDF, the PRSP and the PRGF in order to establish linkages between these instruments, fully recognizing the distinct legislative parameters of the respective institutions and instruments, so as to address the above-mentioned and other emerging issues, and to report back to the Council at its substantive session 2001, especially in the context of the preparations for the triennial policy review;

(b) Recognize that the CCA constitutes a valuable analytical tool around which to plan and organize system-wide activities related to poverty eradication, which is now recognized as the overriding goal for operational activities for development;

(c) Invite the Bretton Woods institutions to collaborate further with the United Nations in the CCA and UNDAF exercises and to use the CCA itself as well as other United Nations instruments as a basis for formulating the CDF and the PRSPs so as to avoid duplication of effort and additional burdens on national counterparts in terms of data collection and situation analysis.

K. Monitoring and evaluation

58. In 1999, UNDP was involved in three major areas in this field: (a) implementing results-based management through the MYFF and its corresponding legislation; (b) the development of a new methodology for impact evaluation; and (c) the creation of a network of evaluation personnel within and outside UNDP called EVALNET. UNDP continued to chair the Inter-Agency Working Group on Evaluation (IAWGE), a network of evaluation services of the United Nations system, which last met in December 1999, to discuss, among other matters, results-based management, a new methodology for impact evaluation and the network of evaluators, EVALNET and monitoring and evaluation in the UNDAF context.

59. UNDP has been developing a new methodology for country-level impact assessment, a rigorous technique that assesses the impact of operational activities using three sources of information: (a) perceptions of stakeholders and clients; (b) documentation; and (c) validation, through follow-up interviews of people familiar with the programme or project. The methodology thus provides for cross-checks on information obtained from any single source.

60. With regard to national capacity-building in evaluation, in 1999, the Government of China and UNDP organized in Beijing a workshop on evaluation capacity development in the Asia and Pacific region, with the involvement of the Organisation for Economic Cooperation and Development/Development Assistance Committee Working Party on Evaluation and the World Bank, which provided a useful opportunity for learning and exchange of experiences within the region.

Problems encountered and lessons learned

61. The experience of UNDP with impact evaluation so far reveals that: (a) evaluation impact is difficult because the organization has tended to offer assistance in areas that do not have clear-cut material products, such as policy formulation, or which are not time-bound, such as capacity-building; (b) the evaluation of government policies and their impact are extremely subjective, even in developed countries using large statistical surveys and abundant baseline data; (c) country-level impact assessments will be able to document how policy advocacy is translated into changes in the broad economic and social policy environment but it could be difficult to use country-level impact assessments to evaluate the next step in the causal chain: how the new policy environment translates into improved welfare for the country. There is, therefore, an urgent need for better programme design and development in line with the principles of results-based management. The methodology and experience with country-level impact assessments will be presented to the Executive Board at an informal panel in 2000. The methodology is being piloted in three countries and five will be added in 2000.

62. The lessons learned so far by UNDP from the experience of other institutions regarding results-based management, which UNDP will take into account in the implementation of the MYFF, are as follows:

(a) The organization needs to set clear objectives for results-based management itself: should results-based management be a reporting and classification system (results measurement) or should results-based management be a strategic planning and management tool that can help to improve organizational performance (results management)?

(b) Any system must fit UNDP's specific needs and culture. As an approach, results-based management requires that the culture and specific nature of the organization be carefully taken into account. In particular, the unique mandate and decentralized structure of UNDP requires flexibility at the country level;

(c) Implementing results-based management is a learning process. Results-based management depends on many aspects of organizational culture, policy and operational practice. Any system needs to be seen as a work in progress, evolving over a considerable period of time and incorporating flexibility to make changes as experiences are gained;

(d) It is essential to keep the approach simple. Results-based management should not lead to an increased workload. The number of instruments must be limited and easy to understand.

Recommendations

63. The Council may wish to:

(a) Take note of and encourage the further development and refinement of the country-level impact assessment, taking into account the experience and feedback from the United Nations system as a whole as well as of other stakeholders, including Governments of programme countries, major donors and non-governmental actors;

(b) Encourage the work of the IAWGE with a view to developing a common understanding and methodology for impact evaluation in time for the next triennial comprehensive policy review, in particular for CCA/UNDAF; to promoting the further exchange of information and experiences with results-based management; and to furthering the accessibility of the respective evaluation databases of the different agencies;

(c) Take note of and encourage the further development of EVALNET, while sharing experiences and learning from the United Nations system and other development partners;

(d) Encourage all funds, programmes and agencies of the United Nations system to assist programme countries in strengthening national capacity for monitoring and evaluation, recognizing the primary responsibility of national Governments in this area.

II. Follow-up to international conferences

64. The focus in this section is on the integrated and coordinated follow-up to the United Nations conferences, in line with such Council legislation as resolution 1998/44.

Problems encountered and lessons learned

65. As the major conferences themselves and a number of five-year reviews have taken place and there is a large body of legislation and inter-agency decisions and guidelines, particularly from ACC and its machinery, the focus of conference follow-up has rightly shifted to the country level and the activities of national Governments and the resident coordinator system. It is important to bear constantly in mind that the primary responsibility for conference follow-up lies with Governments, while the funds, programmes and agencies of the United Nations system provide assistance and support to Governments in their conference follow-up undertakings.

66. There is still a disconnect between the conference outcomes and attendant legislation, on the one hand, and the objectives of actual development assistance programmes, on the other. It is important that further efforts are made to close this gap and ensure that the sum total of conference outcomes serve as objectives for aid programmes, fully recognizing that national Governments have the primary responsibility for setting the objectives of development programmes at the country level. With its neutrality and universality, the funds, programmes and agencies of the United Nations system are well placed to work with the Governments of programme countries to facilitate the

bridging of this gap. Member States should be encouraged as much as possible as they assess existing development programmes and design future ones, to address, from a national perspective, the outcomes of the conferences.

67. In addition to the national reports of Governments on the follow-up to individual conferences, the resident coordinator's annual report, prepared in close collaboration with the entire country team, is now an important source of information on actual inter-agency activities related to conference follow-up at the country level. The annual report has now been modified to give special emphasis to and provide more information on the integrated and coordinated follow-up to conferences.

68. A review in May 1999 by the DGO of the resident coordinator reports for 1998, reveals the following regarding conference follow-up: (a) a large number of annual reports did address both the integrated and coordinated follow-up to major United Nations conferences; (b) others reported only on the follow-up to individual conferences; (c) others reported only on operational activities related to both follow-up to individual conferences and integrated follow-up; (d) some country teams that prepared special reports on conference follow-up made strategic plans for future support for conference follow-up; (e) more such strategic planning is required; (f) only 24 out of the 130 reports received made specific mention of the ACC materials on follow-up to global conferences, indicating that the documentation of the Basic Social Services Task Force of ACC were particularly useful and that the material on poverty had helped the country team to gain a better understanding of where each agency can bring its expertise to bear in support of poverty eradication; (g) resident coordinators suggested that the ACC materials needed to be supplemented with operational tools and specific advice in applying them, including methodological frameworks and models for their country-specific application; (h) a total of some 600 theme groups have been established for the cross-cutting or thematic follow-up to conferences, according to such themes as poverty eradication, gender, HIV/AIDS, food security, and others.

69. UNDG has developed new tools such as the CCA indicator framework, the girls' education strategy and the poverty action strategy that will give an impetus to the United Nations country teams on the follow-up to international conferences.

Recommendations

70. The Council may wish to:

(a) Note the progress of the resident coordinator system in assisting governments in the integrated and coordinated follow-up to global conferences and encourage further work by country-level theme groups to address the three areas highlighted by the Council in its resolution 1998/44: poverty eradication, social development and the 20/20 initiative and the role of civil society in conference follow-up;

(b) Re-emphasize the need to link follow-up to individual conferences, including the five-year reviews, to the integrated follow-up to all conferences, calling for review documents and other preparatory activities fully to reflect linkages with other conferences and call upon Governments, in their leadership of the follow-up to individual conferences, to ensure the cross-cutting dimension and linkages with the other conferences, with the full involvement of all stakeholders including the bilateral donors, the Bretton Woods institutions and civil society.

III. Follow-up to special economic, humanitarian and disaster relief assistance: agreed conclusions

71. The agreed conclusions of the humanitarian segment of the Economic and Social Council at its substantive sessions of 1998 and 1999 as well as General Assembly resolution 53/192 of 15 December 1998 (paras. 38-40) provide a strong legislative basis for the interaction of operational activities and humanitarian assistance.

72. The Secretary-General has observed that in the second half of 1999, more conflicts were ending than new ones beginning. This, combined with countries sliding back into crisis, has meant that an increased number of countries find themselves in the transition phase. Such countries are most in need of development assistance and are precisely where the United Nations system needs to take up the challenge of development and of meeting global goals: promoting development is the best long-term protection against crisis. In

following up on the agreed conclusions of the humanitarian segment of the Council from 1998 and 1999, UNDP and its partners in the United Nations Secretariat have sought to ensure a coherent approach to relief, rehabilitation, reconstruction and development. As chair of the Inter-Agency Standing Committee (IASC) Reference Group on Post-Conflict Reintegration, a body whose explicit task is to seek practical solutions for a smooth transition from relief to development, UNDP has played a particularly active role in this regard. UNDP has also taken part in other efforts to ensure coherent approaches to fragile, transitional situations, for example, the development of the generic guidelines for the strategic framework approach, stressing in particular the development aspects. The UNDG is also promoting linkages between the UNDAF and the consolidated appeal process through joint meetings with the other executive committees, especially the Executive Committee on Humanitarian Affairs. Current UNDAF guidelines do address the linkages between relief, rehabilitation, reconstruction and development. A number of the countries where the UNDAF is being rolled out in 1999 and 2000 are countries in special situations.

Problems encountered and lessons learned

73. Two major — but not new — problems have had an impact on UNDP action in this area. First, while UNDP has allocated 5 per cent of its core resources to countries in crisis, where bridging the gap is an essential condition for effective work, it is more and more difficult, if not impossible, to move forward in the current context of declining funding levels for development, and chronic underfunding for crucial reintegration activities. Secondly, the crucial issue of ensuring a coherent approach to relief, rehabilitation, reconstruction and development and ensuring increased coordination between actors at the stage of preparedness as well as at the stage of response to crisis, as underlined in the agreed conclusions of the humanitarian segment of the Council in 1999, requires much more attention by all stakeholders than it has received in the past.

74. The crises of Kosovo and East Timor in 1999, in particular, have demonstrated to UNDP and other UNDG members, as well as the entire international community, the difficulties of linking development to relief, rehabilitation, and recovery. The following lessons from those experiences have already been drawn by UNDP and the other members of the UNDG Executive Committee:

(a) United Nations development entities failed to put forward a workable, common agenda on post-conflict recovery, with the result that these entities have been marginalized in the planning process;

(b) The developmental perspective is largely absent from United Nations approaches to transition. Although individual UNDG members have been participating in the work of the IASC, which is considering strategic coordination instruments for countries in special situations, the essential developmental perspective has not emerged sufficiently in the proceedings of the Group. Moreover, a development perspective needs to be part of the Security Council briefings on transition countries. Similarly, such a development perspective needs to be fully taken into account by all parts of the United Nations Secretariat;

(c) A more comprehensive approach to relief, rehabilitation, reconstruction and development, as well as in enhancing disaster preparedness and local capacities for disaster response, is essential;

(d) The tendency towards a competitive promotion of coordination frameworks must be overcome: the transition phase is relevant for both the consolidated appeals process (CAP) and the UNDAF and neither should be seen as excluding the other;

(e) The early dialogue with the Bretton Woods institutions as well as with other international key players on transition planning is crucial, particularly as the World Bank and other actors are extremely active in many post-conflict situations, for example, in Kosovo and East Timor.

75. Essential steps are being taken to address and to incorporate all these lessons at the level of UNDP, and the UNDG and its Executive Committee and through other coordination mechanisms.

76. At the level of UNDP, the issue of performance in special development situations must move more prominently onto the corporate agenda. In this connection, as part of its business plan, UNDP will seek to reconfigure the human and financial resources dedicated to this area, by empowering the Emergency Response Division (ERD) to support and strengthen regional bureau and country office capabilities. The UNDP Executive Team will assume a more active role

in the oversight of UNDP activities in a select number of key crisis situations; in these countries, corporate policy will be jointly designed by the regional bureau concerned and ERD with regular feedback to the Executive Team. ERD will function as a secretariat inside UNDP to ensure an effective and coordinated approach by all services in UNDP, and to lead the effort to mainstreaming skills in crisis and post-conflict activities throughout the operational and policy units of the organization.

77. At the level of the UNDG and its Executive Committee, at the meeting held on 7 December 1999, which was attended by the Deputy Secretary-General for the discussion on this item on linking relief and development, given the implications of the item for other parts of the United Nations Secretariat and the other Executive Committees, it was proposed that the UNDG should be consulted by other parts of the United Nations on all development aspects of crisis situations through the UNDG chair. At the country level, the resident coordinator would also be appropriately instructed and involved regarding development aspects of crisis situations.

78. Furthermore, the IASC and IASC Reference Group, chaired by UNDP, whose membership extends beyond the traditional IASC membership to include the Department of Political Affairs, the Department of Peacekeeping Operations, the World Bank (now fully an IASC member), UNDG, the Special Representative of the Secretary-General to Study the Impact of Armed Conflict on Children and other actors, particularly from civil society, has made additional efforts towards a comprehensive approach to crisis and post-crisis countries, as called for by the Council. In particular, the IASC and IASC Reference Group have focused on bridging the gap between relief and development and to advocate for political and financial support, something that is unfortunately lacking in many situations, as the critical underfunding of the 1999 consolidated appeals demonstrates.

79. Strategic and technical areas and issues for coordination have been identified such as the standardization of information technology, dialogue with NGOs involved in both relief and development, the situation of internally displaced people, gender and humanitarian response, post-conflict rehabilitation, improving the CAP by joint assessments and by analysing the relationship between the CAP and the UNDAF, a new approach to the mid-term review, a greater commitment by actors at the country level, which implies increased administrative and managerial flexibility at the field level and improved financial tracking.

80. The IASC Reference Group is also working on missions to review coordination and funding in selected post-conflict countries: Azerbaijan, Bosnia and Herzegovina, the Democratic Republic of the Congo, Liberia and Somalia. The objective of the missions is to identify innovative, creative and practical solutions to key problems associated with post-conflict transitions, in particular relating to reintegration and rehabilitation. The terms of reference of these missions, which are currently being finalized, are the results of extensive consultations which have sought to involve fully all United Nations country teams in countries in special situation.

Recommendations

81. The Council may wish to provide guidance along the following lines:

(a) Take note of the ongoing efforts within the United Nations Secretariat to achieve a closer integration of relief, reconstruction, rehabilitation and development and to encourage further progress in line with recommendations of the agreed conclusions of the humanitarian segment;

(b) Recognize the CCA as the building block for both the CAP and the UNDAF; invite the Security Council and call on the United Nations Secretariat, in analysing approaches to transition, to include a development perspective in order to eradicate the root causes of the crisis and to promote human development;

(c) Encourage UNDP to develop further its strategic partnership with the Brookings Initiative, which examines the relief-development gap, with a view to providing a bridge to other mechanisms such as the IASC and the OECD/DAC working party;

(d) Encourage UNDP and other UNDG members to develop further their dialogue with the Bretton Woods institutions especially to ensure that adjustment processes are peace- and poor-friendly, as well as with other international key actors in the framework of other mechanisms and forums, such as the IASC, in order to ensure a more coherent and

coordinated approach to relief, rehabilitation, reconstruction and development.

IV. Recommendations

82. The Executive Board may wish to:

1. Take note of the present report;

2. Decide to transmit it to the Economic and Social Council, together with the comments and guidance provided by delegations at the present session.